

# FISCAL NOTE

**Bill #:** HB0479

**Title:** Revise airline valuation for tax purposes

**Primary**

**Sponsor:** Royal Johnson

**Status:** As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<b>Revenue:</b>		
General Fund	(\$18,690)	(\$27,573)
State Special Revenue	(1,180)	(1,741)
<b>Net Impact on General Fund Balance:</b>	<b>(\$18,690)</b>	<b>(\$27,573)</b>

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

## Fiscal Analysis

### ASSUMPTIONS:

1. This bill is effective upon passage and approval and applies to the 1999 tax year (FY2000) and beyond.
2. Administrative, customer service and information technology costs of the Department of Revenue would not be affected.
3. Under current law only one airline company is affected by the bill.
4. The taxable value of the affected property will decrease from \$519,999 in tax year 1998 to \$323,259 in tax year 1999 and to \$229,754 in tax year 2000. After tax year 2000 the taxable value will begin to rise.
5. The estimated revenue loss for the general fund will be \$18,690 in FY2000 and \$27,573 in FY2001. In FY2000 the estimated revenue loss to the university fund will be \$1,180 and \$1,379 in FY2001. The estimated revenue loss to local governments and schools in FY2000 will be \$60,181 and \$88,783 in FY2001.
6. Beginning in FY2002 and beyond, revenue projections show an increase in revenue based on the rising values associated with the phase in aspects of current law, which are also included in the bill.

FISCAL IMPACT:

	FY2000 <u>Difference</u>	FY2001 <u>Difference</u>
<u>Revenues:</u>		
General Fund (01)	(\$18,690)	(\$27,573)
State Special Revenue (02)	(1,180)	(1,741)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Local government and schools will experience a revenue reduction of \$60,181 in FY2000 and \$88,783 in FY2001.

LONG-RANGE IMPACTS:

All funds will experience less revenue beginning with implementation of the bill. Beginning in FY2002 and beyond, revenue projections for all funds will begin returning to 1998 levels. By FY2007 revenues will have returned to FY99 levels.